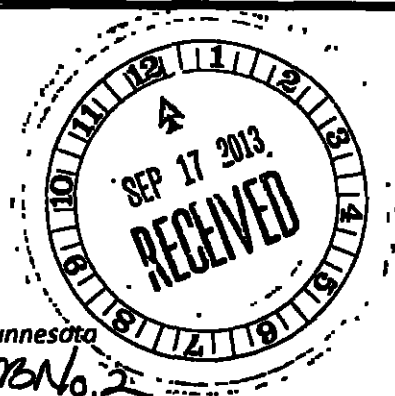


# South Dakota Grain & Feed Association

234824

September 10, 2013

SURFACE TRANSPORTATION BOARD  
395 E. Street, SW  
Washington, DC 20423



Re. *Canadian Pacific Railway Company, et al - Control - Dakota, Minnesota  
& Eastern Railroad Corp., et. al, Finance Docket No. 35081* *SUB No. 2*

Dear Members of the Surface Transportation Board:

On behalf of the members of the South Dakota Grain & Feed Association (SDGFA), I am writing to express our concern about the operation of the Canadian Pacific Railway (CP) and the possible lease or sale of the Dakota, Minnesota & Eastern Railroad (DM&E). SDGFA is a member driven association of 320 companies involved in grain, feed and the farm supply business.

SDGFA is concerned that the sale of the CP could eliminate the benefits that the CP promised South Dakota shippers and leave them with marginal service and fewer competitive options than those that existed when the DM&E first began operations in 1986. Rail Service is critically important to South Dakota agriculture since 56% of all grain is shipped by rail, according to a recent survey by the Upper Great Plains Transportation Institute.

Many of our members have invested considerably on the existing tracks to expand their shuttle loading facilities based on rail availability to markets. Since the announcement of the CP plan to sell or lease the DM&E, we have had members postpone their expansion plans. Expansion and efficiency of rail loading facilities is vital for South Dakota shippers to reach export markets since 63% of grain is shipped from elevators with more than 70 cars, according to a recent survey by the Upper Great Plains Transportation Institute.

SDGFA asks that the Surface Transportation Board approve the South Dakota Petition which would require the CP to explain their lack of the promised track upgrades and service. In addition, SDGFA fully supports the SD DOT's Petition to Enforce the Canadian Pacific Railway Company's Investment Representations in the above captioned matter.

Sincerely,

Kathleen M. Zander  
Executive Director

cc: The Hon. Daniel R. Elliott III  
The Hon. Ann D. Begeman  
The Hon. Francis P. Mulvey

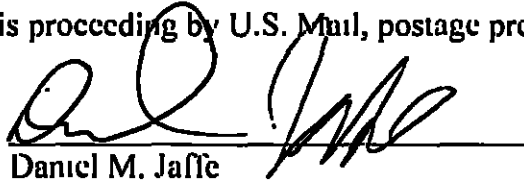
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### **CERTIFICATE OF SERVICE**

I hereby certify that on this 17th day of September, 2013, I served copies of the forgoing on all parties of record to this proceeding by U.S. Mail, postage prepaid.

  
Daniel M. Jaffe